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OFFICE OF
INSURANCE COMMISSIONER

In the Matter of

Order No. D06-124

AMERICAN MEDICAL AND
LIFE INSURANCE COMPANY

CONSENT ORDER
IMPOSING A FINE

Findings of Fact:

1. American Medical and Life Insurance Company ("American Medical") is authorized to conduct insurance business in Washington State. It issues property and casualty insurance.
2. Revised Code of Washington § 48.05.250 requires every insurer to file an annual statement for the previous calendar year with the Office of the Insurance Commissioner ("OIC") by February 28 of the following year. American Medical violated Revised Code of Washington § 48.05.250 and Washington Administrative Code § 284-07-050(2) by failing to file its year 2004 April Supplemental filing, including Management's Discussion and Analysis, Insurance Expense Exhibit, and Supplemental Risk Interrogatories, by the April 1, 2005 due date. The April Supplemental filing is a required annual statement supplement per the *National Association of Insurance Commissioners' Quarterly and Annual Statement Filing Instructions*. The Washington Office of the Insurance Commissioner ("OIC") also posts Annual Statement Filing Instructions on its website that indicate that this filing is due by April 1 of the following calendar year.
3. On April 26, 2005, the OIC sent a letter to American Medical, reminding it of this filing discrepancy. No response has been received by OIC to date.

Conclusions of Law:

1. American Medical's failure to timely file its calendar year 2004 April Supplemental filing constitutes a violation of RCW 48.05.250(1) and WAC 284-07-050(2).
2. RCW 48.05.185 authorizes the Commissioner to impose a fine in lieu of or in addition to the suspension or revocation of an insurer's certificate of authority.

Consent to Order:

American Medical consents to the following, in order to resolve this matter without further legal or administrative proceedings. The Insurance Commissioner consents to resolve this matter in consideration of the insurer's payment of a fine as set forth below.



1. American Medical consents to the entry of the foregoing Findings of Fact and Conclusions of Law, and acknowledges its duty to comply fully with all applicable laws and regulations of the State of Washington. It waives further administrative or legal challenge to the actions taken, or to be taken, by the Insurance Commissioner, related to the subject matter of this Order.
2. Within thirty days of the entry of this Order, American Medical will pay to the Insurance Commissioner a fine in the amount of \$5,000 (five thousand dollars).
3. Failure to pay the fine in full within thirty days of the entry of this order will constitute grounds for revocation of the certificate of authority held by American Medical in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 16th day of May, 2006.

AMERICAN MEDICAL AND LIFE INSURANCE COMPANY

By: Thomas J. Force

Printed Name: Thomas J. Force

Printed Corporate Title: V.P. - General Counsel

Pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner orders as follows:

Order:

1. American Medical and Life Insurance Company is ordered to pay, within thirty days of the entry of this order, a fine in the amount of \$5,000 (five thousand dollars).
2. Failure to pay the fine timely and in full will constitute grounds for revocation of the certificate of authority held by the insurer in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 23rd day of May, 2006

MIKE KREIDLER
Insurance Commissioner

By: Marcia G. Stickler

Marcia G. Stickler
Legal Affairs Division